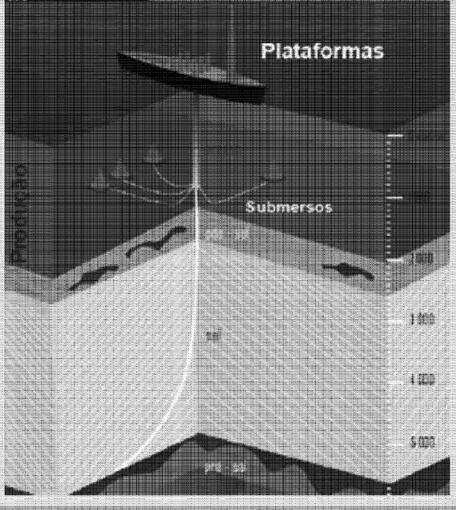
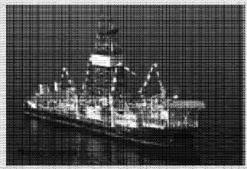
PETROBRAS

Drilling Rigs Demand (known)





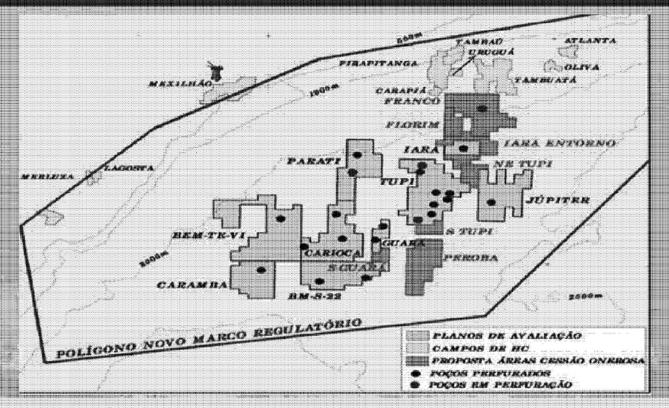


- The 6 conceded blocks in the Pre Salt South Cluster area generate a long term demand of 40 drilling rigs;
- 1st set of 12 units: contracted back in 2008 and are expected to be delivery up to 2012;
- 28 remaining units: to be built in Brazil, and will be delivery from 2013 through 2018.

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- After Petrobras started its recent program for contracting new drilling rigs (2008 and 2009) new areas in Pre Salt South Cluster have been added to Petrobras' portfolio;
- These new areas (Transfer of Rights with Compensation) mount approx. 3,900 km², or almost 10% of the already conceded area in Pre Salt;
- For these new blocks, Petrobras is the sole concessionaire.

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Main Risks and Challenges

Being a new industry, the rigs pioneer construction in Brazil must be preceded by careful assessment of all associated risks and include a package of mitigation factors:

Financeability

Pre Salt

Drilling Rigs

Economic Feasibility

Credit Risk

 Intensive capital activity, there will be a great challenge for raising a massive volume of funds (equity and debt), ballasted with the charter contracts receivables

Shortfall of Revenues

 The final quality of the rigs and the Operator performance will be fundamental for guaranteeing the cash generation for repaying all obligations

Charter Daily Rates

 All Charter and Services Daily Rates must be within international market parameters, otherwise no rig will be selected and contracted

Guarantees

 The guarantees package quality will mandatory for financing the project and its feasibility: DSCR, FGCN, Reserve Accounts, Portfolio Finance, Renewal and Performance Funds, etc.

Technological Risk

 This is associated with the pioneer construction in Brazil, and must be mitigated to avoid difficulties with the construction process and the final quality of the rigs

Delay and Cost Overrun

 The ploneer construction in Brazilian shipyards may lead to a loss of productivity, delays and higher costs. Mitigation: use of a proven wide accepted design, association with experienced contractors and FGCN

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